

**SECURITIES AND EXCHANGE COMMISSION**  
**(Release No. 34-54224; File No. 4-523)**

**July 27, 2006**

**Program for Allocation of Regulatory Responsibilities Pursuant to Rule 17d-2; Notice of Filing of the Plan for Allocation of Regulatory Responsibilities Between NYSE Arca, Inc. and the National Association of Securities Dealers, Inc.**

Pursuant to Section 17(d) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> and Rule 17d-2 thereunder,<sup>2</sup> notice is hereby given that on January 20, 2006, NYSE Arca, Inc.<sup>3</sup> (“NYSE Arca”) and the National Association of Securities Dealers, Inc. (“NASD”) (together with the NYSE Arca, the “Parties”) filed with the Securities and Exchange Commission (“Commission”) an amended and restated plan for the allocation of regulatory responsibilities. On July 25, 2006, the Parties submitted a revised amended and restated plan. The Commission is publishing this notice to solicit comments on the revised amended and restated 17d-2 plan from interested persons.

I. Introduction

Section 19(g)(1) of the Act,<sup>4</sup> among other things, requires every self-regulatory organization (“SRO”) registered as either a national securities exchange or registered securities association to examine for, and enforce compliance by, its members and persons associated with its members with the Act, the rules and regulations thereunder, and the SRO’s own rules, unless

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<sup>1</sup> 15 U.S.C. 78q(d).

<sup>2</sup> 17 CFR 240.17d-2.

<sup>3</sup> NYSE Arca, Inc. was formerly called the Pacific Exchange, Inc. (“PCX”). On March 6, 2006, PCX filed with the Commission a proposed rule change, which was effective upon filing, to change the name of the PCX, as well as several other related entities, to reflect Archipelago Holdings, Inc.’s (“Archipelago”) recent acquisition of PCX and the merger of the New York Stock Exchange, Inc. with Archipelago. See Securities Exchange Act Release No. 53615 (April 7, 2006), 71 FR 19226 (April 13, 2006).

<sup>4</sup> 15 U.S.C. 78s(g)(1).

the SRO is relieved of this responsibility pursuant to Section 17(d)<sup>5</sup> or 19(g)(2)<sup>6</sup> of the Act. Without this relief, the statutory obligation of each individual SRO could result in a pattern of multiple examinations of broker-dealers that maintain memberships in more than one SRO (“common members”). Such regulatory duplication would add unnecessary expenses for common members and their SROs.

Section 17(d)(1) of the Act<sup>7</sup> was intended, in part, to eliminate unnecessary multiple examinations and regulatory duplication.<sup>8</sup> With respect to a common member, Section 17(d)(1) authorizes the Commission, by rule or order, to relieve an SRO of the responsibility to receive regulatory reports, to examine for and enforce compliance with applicable statutes, rules, and regulations, or to perform other specified regulatory functions.

To implement Section 17(d)(1), the Commission adopted two rules: Rule 17d-1 and Rule 17d-2 under the Act.<sup>9</sup> Rule 17d-1 authorizes the Commission to name a single SRO as the designated examining authority (“DEA”) to examine common members for compliance with the financial responsibility requirements imposed by the Act, or by Commission or SRO rules.<sup>10</sup> When an SRO has been named as a common member’s DEA, all other SROs to which the common member belongs are relieved of the responsibility to examine the firm for compliance with the applicable financial responsibility rules. On its face, Rule 17d-1 deals only with an

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<sup>5</sup> 15 U.S.C. 78q(d).

<sup>6</sup> 15 U.S.C. 78s(g)(2).

<sup>7</sup> 15 U.S.C. 78q(d)(1).

<sup>8</sup> See Securities Act Amendments of 1975, Report of the Senate Committee on Banking, Housing, and Urban Affairs to Accompany S. 249, S. Rep. No. 94-75, 94th Cong., 1st Session 32 (1975).

<sup>9</sup> 17 CFR 240.17d-1 and 17 CFR 240.17d-2, respectively.

<sup>10</sup> See Securities Exchange Act Release No. 12352 (April 20, 1976), 41 FR 18809 (May 3, 1976).

SRO's obligations to enforce member compliance with financial responsibility requirements. Rule 17d-1 does not relieve an SRO from its obligation to examine a common member for compliance with its own rules and provisions of the federal securities laws governing matters other than financial responsibility, including sales practices and trading activities and practices.

To address regulatory duplication in these and other areas, the Commission adopted Rule 17d-2 under the Act.<sup>11</sup> Rule 17d-2 permits SROs to propose joint plans for the allocation of regulatory responsibilities with respect to their common members. Under paragraph (c) of Rule 17d-2, the Commission may declare such a plan effective if, after providing for notice and comment, it determines that the plan is necessary or appropriate in the public interest and for the protection of investors, to foster cooperation and coordination among the SROs, to remove impediments to, and foster the development of, a national market system and a national clearance and settlement system, and is in conformity with the factors set forth in Section 17(d) of the Act. Commission approval of a plan filed pursuant to Rule 17d-2 relieves an SRO of those regulatory responsibilities allocated by the plan to another SRO.

## II. Proposed Plan

The Parties currently operate pursuant to a 17d-2 plan in which the NASD assumed certain inspection, examination, and enforcement responsibility for common members with respect to certain applicable laws, rules, and regulations (the "current NASD-PCX 17d-2 Plan").<sup>12</sup> On September 22, 2005, the Commission approved a proposed rule change submitted

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<sup>11</sup> See Securities Exchange Act Release No. 12935 (October 28, 1976), 41 FR 49093 (November 8, 1976).

<sup>12</sup> See Securities Exchange Act Release Nos. 14095 (October 25, 1977), 42 FR 57198 (November 1, 1977) (File No. 4-267) (notice of 1977 Agreement); 15191 (September 26, 1978), 43 FR 46093 (October 5, 1978) (File No. 4-267) (order granting temporary approval); 15722 (April 12, 1979), 44 FR 23616 (April 20, 1979) (File No. 4-267) (extension of time to file amendments); 15941 (June 21, 1979) (File No. 4-267), SEC

by PCX, the predecessor to NYSE Arca,<sup>13</sup> relating to the acquisition of PCX Holdings, Inc. by Archipelago.<sup>14</sup> In that filing, PCX committed to amend the current NASD-PCX 17d-2 Plan within 90 days of the Commission's approval of SR-PCX-2005-90 to expand the scope of the NASD's regulatory functions under the plan so as to encompass all of the regulatory oversight and enforcement responsibilities with respect to the broker-dealer affiliate of Archipelago, Archipelago Securities, L.L.C.<sup>15</sup> This time period has been extended three times.<sup>16</sup>

On January 20, 2006, the Parties submitted an amended and restated 17d-2 plan for review and approval by the Commission. On July 25, 2006, the Parties submitted a revised amended and restated plan. The revised amended and restated plan is intended to replace and supersede the current NASD-PCX 17d-2 Plan and all prior amendments thereto in their entirety. The revised amended and restated 17d-2 plan is intended to reduce regulatory duplication for firms that are common members of NYSE Arca and the NASD. The text of the plan delineates regulatory responsibilities with respect to the Parties, including responsibility for NYSE Arca rules. Included in the revised amended and restated plan is an attachment ("NYSE Arca Rules

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Docket, Vol. 17, no. 14, page 995 (July 3, 1979) (further extension of time to file required amendments); 16462 (January 2, 1980), 45 FR 2121 (January 10, 1980) (File No. 4-267) (order granting temporary approval); 16591 (February 20, 1980), 45 FR 12573 (February 26, 1980) (File No. 4-267) (notice of 1980 Amendment); 16719 (April 2, 1980), 45 FR 23841 (April 8, 1980) (File No. 4-267) (order granting temporary approval); and 16858 (May 30, 1980), 45 FR 37927 (June 5, 1980) (File No. 4-267) (approval order).

<sup>13</sup> See supra note 3.

<sup>14</sup> See Securities Exchange Act Release No. 52497 (September 22, 2005), 70 FR 56949 (September 29, 2005) (approving SR-PCX-2005-90, as amended).

<sup>15</sup> Archipelago Securities acts as the outbound order router for the NYSE Arca Marketplace (formerly, the Archipelago Exchange, or ArcaEx), the equities trading facility of NYSE Arca.

<sup>16</sup> See Securities Exchange Act Release Nos. 52995 (December 21, 2005), 70 FR 77232 (December 29, 2005); 53545 (March 23, 2006), 71 FR 16183 (March 30, 2006); and 54046 (June 26, 2006), 71 FR 37965 (July 3, 2006).

Certification for 17d-2 Agreement with NASD,” referred to herein as the “Certification”) that lists every NYSE Arca rule and the federal securities laws and rules and regulations thereunder for which, under the plan, the NASD would bear responsibility for overseeing and enforcing with respect to common members. In particular, under the revised amended and restated 17d-2 plan, the NASD would assume examination and enforcement responsibility relating to compliance by dual members and persons associated therewith with the rules of NYSE Arca that are substantially similar to the rules of the NASD (“Common Rules”), as well as any provisions of the federal securities laws and the rules and regulations thereunder delineated in the Certification.<sup>17</sup> Under the plan, NYSE Arca would retain full responsibility for surveillance and enforcement with respect to trading activities or practices involving NYSE Arca’s own marketplace; registration pursuant to its unique rules (*i.e.*, non-common rules); its duties as a Designated Examining Authority pursuant to Rule 17d-1 under the Act; and any rules that are not substantially similar to the rules of the NASD, except for NYSE Arca rules for any broker-dealer subsidiary of Archipelago.<sup>18</sup>

The text of the revised amended and restated 17d-2 plan is as follows:

AGREEMENT BETWEEN THE NASD AND  
NYSE Arca, INC. PURSUANT TO  
SEC RULE 17d-2 UNDER THE SECURITIES EXCHANGE ACT OF 1934

This Agreement, between the National Association of Securities Dealers, Inc. (“NASD”) and the NYSE Arca, Inc. (“NYSE Arca”), is made this 25th day of July, 2006, pursuant to the provisions of SEC Rule 17d-2 under the Securities Exchange Act of 1934 which calls for

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<sup>17</sup> See paragraph 2 of the revised amended and restated 17d-2 plan. The Commission notes that there is only one federal security law rule on the Certification, Rule 200 of Regulation SHO.

<sup>18</sup> See *id.* Apparent violations of such NYSE Arca rules by any broker-dealer subsidiary of Archipelago will be processed by, and enforcement proceedings will be conducted by, the NASD. See paragraph 5 of the revised amended and restated 17d-2 plan.

agreements between self-regulatory organizations for plans to reduce or eliminate regulatory duplication.

This Agreement supersedes and replaces Agreements entered into between the parties on May 27, 1977 and January 20, 2006, entitled “Agreement Between the National Association of Securities Dealers, Inc. and the Pacific Stock Exchange, Inc. Pursuant to SEC Rule 17d-2 Under the Securities Exchange Act of 1934,” and any subsequent amendments thereafter.

WHEREAS, NASD and NYSE Arca are desirous of reducing duplication in the examination of their dual members (a broker-dealer firm which is a member of both NASD and NYSE Arca) and in the filing and processing of certain registration and membership records; and

WHEREAS, NASD and NYSE Arca are desirous of executing a plan covering such subjects pursuant to the provisions of Rule 17d-2 and filing such with the Commission for its approval.

NOW, THEREFORE, in consideration of the mutual covenants contained hereafter, the said NASD and NYSE Arca hereby agree as follows:

1. That NASD will assume regulatory responsibilities for all firms who are members of NYSE Arca and NASD (“dual members”). NYSE Arca shall furnish NASD with a current list of dual members, which shall be updated no less frequently than once each quarter.

2. For purposes of this plan, the term “regulatory responsibilities” shall mean the examination and enforcement responsibility relating to compliance by the dual members and persons associated therewith with the rules of NYSE Arca that are substantially similar to the rules of NASD in that the NYSE Arca’s rule would not require NASD to develop one or more new examination standards, modules, procedures, or criteria in order to analyze the application of the rule, or a dual member’s activity, conduct, or output in relation to such rule, (the

“Common Rules”). Prior to the effective date of this Agreement, NYSE Arca shall furnish NASD with a current list of Common Rules (“Certification”), and NASD will confirm in writing whether the rules listed in the Certification are Common Rules as defined in this Agreement. Each year following the commencement of operation of this Agreement, or more frequently if required by changes in either the rules of NYSE Arca or NASD, NYSE Arca shall submit an updated list of Common Rules to NASD for review which shall add NYSE Arca rules not included in the current list of Common Rules that qualify as Common Rules as defined in this Agreement; delete NYSE Arca rules included in the current list of Common Rules that no longer qualify as Common Rules as defined in this Agreement; and confirm that the remaining rules on the current list of Common Rules continue to be NYSE Arca rules that qualify as Common Rules as defined in this Agreement. Within 30 days of receipt of such updated list, NASD will confirm in writing whether the rules listed in any updated list are Common Rules as defined in this Agreement. Regulatory responsibilities under this Agreement shall also extend to those provisions of the federal securities laws and rules and regulations thereunder listed in the Certification.

The term “enforcement responsibility” shall mean the conduct of appropriate proceedings, in accordance with the NASD Code of Procedure (the Rule 9000 Series) and other applicable NASD procedural rules, to determine whether violations of pertinent laws, rules or regulations have occurred, and if such violations are deemed to have occurred, the imposition of appropriate sanctions as specified under the NASD’s Code of Procedure and sanctions guidelines. Notwithstanding anything herein to the contrary, it is explicitly understood that the term “regulatory responsibilities” does not include, and NYSE Arca will retain full responsibility for (unless otherwise addressed by separate agreement or rule):

- a) surveillance and enforcement with respect to trading activities or practices involving NYSE Arca's own marketplace, including without limitation NYSE Arca's rules relating to the rights and obligations of market makers;
- b) registration pursuant to its applicable rules of associated persons (i.e., registration rules that are not Common Rules);
- c) discharge of its duties and obligations as a Designated Examining Authority pursuant to Rule 17d-1 under the Act; and
- d) any rules of NYSE Arca that are not substantially similar to the rules of NASD, except for NYSE Arca rules for any broker-dealer subsidiary of Archipelago Holdings, Inc. as provided in paragraph 5.

3. There shall be no charge to NYSE Arca by NASD for performing the stated regulatory responsibilities under this plan except as hereinafter provided. NASD will provide NYSE Arca with ninety (90) days advance written notice in the event NASD decides to impose any charges to NYSE Arca for performing the stated regulatory responsibilities under this plan. If it becomes necessary to impose a charge, NYSE Arca shall have the right at the time of the imposition of such to terminate this Agreement; provided, however, that NASD's regulatory responsibilities under this Agreement shall continue until the SEC approves the termination of this Agreement.

4. Notwithstanding any provision hereof, this Agreement shall be subject to any statute, or any rule or order of the Securities and Exchange Commission, or industry agreement, restructuring the regulatory framework of the securities industry or reassigning regulatory responsibilities between self-regulatory organizations. To the extent such is inconsistent with this Agreement, such shall supersede the provisions hereof to the extent necessary for them to be properly effectuated and the provisions hereof in that respect shall be null and void.



5. Should NASD become aware of apparent violations of NYSE Arca's rules, which are not listed as Common Rules, discovered pursuant to the performance of the regulatory responsibilities assumed hereunder, NASD will notify NYSE Arca of those apparent violations. With respect to apparent violations of any NYSE Arca rules by any broker-dealer subsidiary of NYSE Arca's parent company, Archipelago Holdings, Inc., NASD shall not make referrals to NYSE Arca pursuant to this Item 5. Such apparent violations shall be processed by, and enforcement proceedings in respect thereto will be conducted by, NASD as provided in this agreement. Apparent violations of all other applicable rules, including violations of the various securities acts, and rules and regulations thereunder, will be processed by, and enforcement proceedings in respect thereto will be conducted by NASD as provided hereinbefore; provided however that in the event a covered dual member or a person associated therewith is the subject of an investigation relating to a transaction on NYSE Arca, NYSE Arca may in its discretion assume concurrent jurisdiction and responsibility. Each party agrees to make available promptly all files, records and witnesses necessary to assist the other in its investigation or proceedings.

6. NASD will make available to NYSE Arca all information obtained by it in the performance by it of the regulatory responsibilities hereunder in respect to the firms which are subject to this Agreement. In particular, and not in limitation of the foregoing, NASD will furnish NYSE Arca any information it obtains about dual members which reflects adversely on their financial condition and which should be known by NYSE Arca or any subsidiaries thereof. It is understood that such information is of an extremely sensitive nature and, accordingly, NYSE Arca agrees to take all reasonable steps to maintain its confidentiality. NYSE Arca will supply NASD any information coming to its attention that reflects adversely on the financial condition

of dual members or indicates possible violations of applicable laws, rules or regulations by such firms.

7. Dual members subject to this agreement will be required to submit, and NASD will be responsible for processing and acting upon all applications submitted on behalf of allied persons, partners, officers, registered personnel and any other person required to be approved by the rules of both NYSE Arca and NASD or associated with dual members thereof. NASD shall advise NYSE Arca monthly of any changes of allied members, partners, officers, registered personnel and other persons required to be approved by the rules of both NYSE Arca and NASD. Dual members will be required to send to NASD all letters, termination notices or other material respecting these individuals. When as a result of processing said submissions NASD becomes aware of a statutory disqualification as defined in the Securities Exchange Act of 1934 with respect to a dual member or person associated with a dual member, NASD will determine pursuant to sections 15A(g) and/or section 6(c) the acceptability or continued applicability of the person to whom such disqualification applies and keep NYSE Arca advised of its actions in this regard.

NASD will also be responsible for processing and, if required, acting upon all requests for the opening, address changes, and terminations of branch offices by dual members and any other applications required of dual members under the Common Rules as they may be amended from time to time. NASD will advise NYSE Arca monthly of the opening, address change and termination of branch and main offices of dual members and the names of such branch office managers.

8. NYSE Arca shall forward to NASD copies of all customer complaints involving dual members and persons associated therewith received by it relating to NASD's regulatory responsibilities under this Agreement. It shall be NASD's responsibility to review and take appropriate action in respect to such complaints.

9. NASD shall assume responsibility to review the advertising of dual members subject to the Agreement, provided that such material is filed with NASD in accordance with NASD's filing procedures and is accompanied with any applicable filing fees. Such review will be made in accordance with then applicable NASD rules and interpretations. In all cases of dual members subject to this Agreement, the advertising of dual members shall be subject only to compliance with appropriate NASD rules and interpretations.

10. Nothing contained in this Agreement shall restrict or in any way encumber the right of NASD or NYSE Arca to conduct special or cause examinations of dual members and persons associated therewith as NASD or NYSE Arca, in their sole discretions, shall deem appropriate.

11. NYSE Arca recognizes that, pursuant to this Agreement, NASD will maintain an available and appropriate mechanism for considering and acting upon requests by dual members for extensions of time pursuant to Federal Reserve Regulation T and SEC Rule 15c3-3 of the Securities Exchange Act of 1934. NASD will keep NYSE Arca informed with respect to its activities in granting extensions of time pursuant to Regulation T and Rule 15c3-3 to dual members in such form and content as reasonably determined by NASD.

12. Should a dispute arise between the parties as to the operation of this Agreement, NYSE Arca and NASD agree that any such dispute shall be settled by arbitration in Washington, D.C. in accordance with the rules of the American Arbitration Association then in effect, or such

other procedures as the parties may mutually agree upon. Judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction.

13. This Agreement may be cancelled by NYSE Arca or NASD at any time with the approval of the Securities and Exchange Commission upon one (1) year's written notice, except as provided in paragraph 3.

14. This Agreement shall be effective upon approval of the Securities and Exchange Commission.

15. This Agreement is wholly separate from the multiparty Agreement made pursuant to SEC Rule 17d-2 of the Securities Exchange Act of 1934 between the American Stock Exchange LLC, the Boston Stock Exchange, Inc., the Chicago Board Options Exchange, Inc., the International Securities Exchange, Inc., the National Association of Securities Dealers, Inc., the New York Stock Exchange, Inc., the Pacific Exchange, Inc., and the Philadelphia Stock Exchange involving the allocation of regulatory responsibilities with respect to common members for compliance with common rules relating to the conduct by broker-dealers of accounts for listed options or index warrants entered into on January 14, 2004, and as may be amended from time to time.

#### LIMITATION OF LIABILITY

Neither NASD nor NYSE Arca nor any of their respective directors, governors, officers or employees shall be liable to the other party to this plan for any liability, loss or damage resulting from or claimed to have resulted from any delays, inaccuracies, errors or omissions with respect to the provision of regulatory responsibilities as provided hereby or for the failure to provide any such responsibility, except with respect to such liability, loss or damages as shall have been suffered by one or the other of NASD or NYSE Arca and caused by the willful

misconduct of the other party or their respective directors, governors, officers or employees. No warranties, express or implied, are made by NASD or NYSE Arca with respect to any of the responsibilities to be performed by each of them hereunder.

#### RELIEF FROM RESPONSIBILITY

Pursuant to Sections 17(d)(1)(A) and 19(g) of the Securities Exchange Act of 1934 and Rule 17d-2 promulgated pursuant thereto, NASD and NYSE Arca join in requesting the Commission, upon its approval of this plan or any part thereof, to relieve NYSE Arca of any and all responsibilities with respect to matters allocated to NASD pursuant to this plan.

#### **NYSE Arca CERTIFICATION**

##### **NYSE Arca Rules Certification for 17d-2 Agreement with NASD**

NYSE Arca, Inc. hereby certifies that the requirements contained in the rules listed below for NYSE Arca Equities, Inc., a wholly-owned subsidiary, are identical to, or substantially similar to, comparable NASD rules (“Common Rules”) as of July 2006.<sup>19</sup>

<b>Rule</b>	<b>Description</b>
2.15	Responsibilities of Non-Resident Firms
2.21	Employees of ETP Holder Registration
2.24	ETP Books and Records
6.1	Adherence to Law

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<sup>19</sup> The Commission notes that the Certification attached to the executed revised amended and restated plan also includes references to the NASD rules to which the Common Rules are identical or substantially similar. Further, the Certification notes that, with respect to several of the NYSE Arca rules, NYSE Arca will be responsible for any significant differences between its rule and the comparable NASD rule identified, until such time amendments to such rule(s) may be approved. A copy of the revised amended and restated plan, including the Certification, is available on the Commission’s Web site at <http://www.sec.gov>.

- 6.2 Prohibited Acts
- 6.6 Front-Running of Block Transactions
- 6.13 Disciplinary Action By Other Organizations
- 6.15 Miscellaneous Prohibitions
- 6.16 Trading Ahead of Customer Limit Orders
- 6.17 Anti-Money Laundering Compliance Program
- 6.18 Supervision
- 8.4 Account Approval
- 8.5 Suitability
- 8.6 Discretionary Accounts
- 8.7 Supervision of Accounts
- 8.8 Customer Complaints
- 8.9 Prior Approval of Certain Communications to Customers
- 9.1(a) Register with the Corporation
- 9.1(c) Office Supervision
- 9.1(d) Designation of Firm Principal
- 9.1(e) Guarantees
- 9.1(f) Sharing Profits--Losses
- 9.2(b) Account Supervision
- 9.2(c) Customer Records
- 9.3(a) Employee Accounts
- 9.3(b) ETP Holder and Allied Person Accounts
- 9.4 Proxies Voting

9.5	Solicitation Expense
9.6(a)	Discretion as to Customers' Accounts
9.6(b)	Records of Discretionary Accounts
9.7(a)	Pledging Customer Securities
9.7(b)	Use of Customer Securities
9.7(c)	Customer Protection--Reserves and Custody of Securities
9.7(d)	Agreements for Use of Customer Securities
9.10	Assuming Losses
9.11	Confirmations
9.12	COD Orders--Partial Delivery
9.13	Long Sales
9.14	Account Designation
9.15	Statements of Account to Customers
9.17	Books and Records
9.19	Transfer of Accounts
9.20(b)	Telemarketing
9.21(a)	Policy
9.22(a)	Advertisements
9.23	Sales Literature--Market Letters
9.24	Radio, Television, Telephone and Other Reports
9.25	Standards
9.27	Registration of Representatives
9.27	Regulatory Element

**In addition, the following provisions of the Securities Exchange Act of 1934, and rules and regulations thereunder, shall be part of this 17d-2 Agreement:** Rule 200 of Regulation SHO- Definition of “Short Sale” and Marking Requirements.

III. Date of Effectiveness of the Proposed Plan and Timing for Commission Action

Pursuant to Section 17(d)(1) of the Act<sup>20</sup> and Rule 17d-2 thereunder,<sup>21</sup> after [insert date 21 days from publication in the Federal Register], the Commission may, by written notice, declare the plan submitted by NYSE Arca and the NASD, File No. 4-523, effective if the Commission finds that the plan is necessary or appropriate in the public interest and for the protection of investors, to foster cooperation and coordination among self-regulatory organizations, or to remove impediments to and foster the development of the national market system and a national system for the clearance and settlement of securities transactions and in conformity with the factors set forth in Section 17(d) of the Act.

IV. Solicitation of Comments

In order to assist the Commission in determining whether to approve the revised amended and restated 17d-2 plan and to relieve NYSE Arca of the responsibilities which would be assigned to the NASD, interested persons are invited to submit written data, views, and arguments concerning the foregoing. Comments may be submitted by any of the following methods:

Electronic comments:

- Use the Commission’s Internet comment form (<http://www.sec.gov/rules/other.shtml>); or

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<sup>20</sup> 15 U.S.C. 78q(d)(1).

<sup>21</sup> 17 CFR 240.17d-2.



- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number 4-523 on the subject line.

Paper comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, Station Place, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number 4-523. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/other.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed plan that are filed with the Commission, and all written communications relating to the proposed plan between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of the plan also will be available for inspection and copying at the principal office of the Exchange. All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All

submissions should refer to File Number 4-523 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>22</sup>

J. Lynn Taylor  
Assistant Secretary

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<sup>22</sup> 17 CFR 200.30-3(a)(34).